



**MATAGORDA COUNTY
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July 2, 2007

Mr. Samuel W. Bodman
Secretary of Energy
U.S. Department of Energy
1000 Independence Ave., SW
Washington, DC 20585

Re: Comments on Proposed Loan Guarantee Program Rules: RIN 1901-AB21

Dear Secretary Bodman:

Texas and the United States are facing increasing needs for clean and safe electrical power generation. Within the past year, Matagorda County, Texas, has been fortunate in having two nuclear power generation companies—South Texas Project Nuclear Operating Company (STP) and Exelon Power—announce possible new projects here. STP is proposing to expand its existing power generation plant from two to four nuclear reactors. Exelon Power has selected Matagorda County as its preferred site for possible construction of a new nuclear facility. Both of these projects are heavily dependent on the federal loan guarantee program passed by Congress to stimulate new nuclear power plant construction. The high costs for permitting and constructing new nuclear plants make those loan guarantees critically important for at least the first new nuclear power plants constructed.

Matagorda County is among a dozen counties in Texas with much higher unemployment rates than the state or national averages. We look to the two nuclear plant announcements as a very positive way for us to get new jobs for our citizens in the construction and operations of the plants. We also see the two possible plants as a basis for attracting companies that need large power supplies and dependable power sources. We want to see these two plants proceed to construction. We see them as means of helping improve our local economy as well as help meet our state and national power needs.

We strongly support creation of a loan guarantee program by the Department of Energy for new nuclear power plant construction that will allow the congressionally intended coverage of all debt up to 80 percent of project construction cost. This is a major way for re-activating new nuclear power plant construction that will increasingly be needed to provide power for growing demands and cleaner power generation for air quality improvement.

Sincerely,

Owen W. Bludau
Executive Director

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